NEWS RELEASE

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USDA ANNOUNCES RECIPIENTS FOR \$1 MILLION IN GRANTS TO SUPPORT RURAL HOME HEALTH CARE COOPERATIVES EFFORTS

WASHINGTON, May 18, 2003 – Agriculture Secretary Ann M. Veneman today announced the selection of nine recipients to receive a total of \$1 million in rural development community development initiative grant funds to support the establishment and operation of home health care cooperatives.

"The development of rural home-based health care cooperatives provides a cost effective means of providing elderly and lower income families an alternative to health care services available to them," said Veneman. "Through partnerships, the Bush Administration is working to improve the quality of life for rural residents."

The USDA <u>Rural Community Development Initiative</u> provides grants to qualified intermediary organizations that will provided financial and technical assistance to recipients to develop their capacity and ability to undertake projects related to housing, community facilities or community and economic development. In addition to the grants announced today, USDA announced in March 2004, more than \$6.8 million in technical assistance grants to 27 nonprofit community-based development organizations, low-income communities or Federally recognized tribes to improve their ability to develop rural housing, technology, economic development and community facilities in 18 states. Congress appropriated approximately \$6 million in Fiscal Year (FY) 2004 for the Rural Community Development Initiative (RCDI), bringing the total since FY 2000 to \$30 million.

The cooperative home-based health care demonstration program will help community organizations establish and operate home-based health care cooperatives.

Pre-development grants will assist qualified public bodies or non-profit community development organizations in providing outreach to home-based health care providers, assessing local-level human service provider needs, and other activities leading to the organization and implementation of successful home-based health care cooperatives. In Grant County, Washington, Public Hospital District #4 will utilize a \$38,775 grant to create a home-based cooperative to serve the predominately elderly and low-income population of Grant County.

Revolving loan grants will be made to qualified non-profit community development organizations or public bodies to provide start-up and operating funds and technical assistance to the newly-created, home-based health care cooperatives. The Minnesota-based Northcountry Cooperative Foundation will utilize \$300,000 to help provide this support to several organizations, including one located in Outagamie County, Wisconsin.

Recipients are required to obtain matching funds, doubling the value of the USDA grants. Eligible applicants must be located in rural areas with populations of 50,000 or less. Funding of selected applicants will be contingent upon meeting the conditions of the grant agreement. Those receiving grant funds include:

CAP Services of Stevens Point, Wisc. -- \$50,000 Cooperative Pre-planning Grant

Hawaii Community Loan Fund of Honolulu, Hawaii -- \$104,225 Revolving Loan Fund Grant

LEAF of Brookline, Mass. -- \$300,000 Revolving Loan Fund Grant

Northcountry Cooperative Foundation of Minneapolis, Minn. -- \$300,000 Revolving Loan Fund Grant

Public Hospital District #4 of Soap Lake, Wash. -- \$38,775 Cooperative Pre-planning Grant

Region I Mental Health and Substance Abuse Administration of Scottsbluff, Neb. – \$50,000 Cooperative Pre-planning Grant

Rocky Mountain Health Foundation of Grand Junction, Colo. -- \$50,000 Cooperative Preplanning Grant

Hilo Medical Center of Hilo, Hawaii -- \$50,000 Cooperative Pre-planning Grant

Washington State Department of Social Services of Snoqualmie, Wash. -- \$50,000 Cooperative Pre-planning Grant

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at http://www.rurdev.usda.gov.

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